

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 2, 2008
POSITION: Neutral
SPONSOR: Family Winemakers of California

BILL NUMBER: SB 157
AUTHOR: P. Wiggins

BILL SUMMARY: Nonprofit Organization Equal Participation Act

Under current law, wine orders may be taken at Department of Alcoholic Beverage Control (ABC)-permitted wine tasting events held by certain non-profit organizations which include agricultural, horticulture or labor groups, fraternal orders, public safety organizations, literary or educational groups, amateur sports, humanitarian corporations, chambers of commerce, real estate boards, religious corporations, domestic fraternal societies, political organizations and veteran's groups. These groups are also permitted to receive donations of, or discounts on beer, wine, or distilled spirits in connection with public service or fundraising events.

This bill would expand that eligibility list to include civic leagues, social organizations, and voluntary employees' beneficiary associations. This bill also clarifies that nothing in state law precludes beer and wine wholesalers from donating or selling wine and beer at reduced prices to organizations defined as nonprofits by the federal Internal Revenue Code, and recasts existing law authorizing collaboration between the wine industry and non-profits as the "Nonprofit Organization Equal Participation Act."

FISCAL SUMMARY

Finance estimates this bill would have no state General Fund impact.

SUMMARY OF CHANGES

Changes to this bill since our analysis of the January 9, 2008 version delete legislative findings regarding the beneficial effects of collaboration between the wine industry and non-profits, and clarifies that nothing in state law precludes beer and wine wholesalers from donating or selling wine and beer at reduced prices to organizations defined as nonprofits by the federal Internal Revenue Code.

COMMENTS

Finance notes the following with regard to this bill:

- This bill could result in additional revenue for a greater number of non-profit organizations and increased distribution opportunities for winemakers.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)								Fund Code
	LA	(Dollars in Thousands)								
	CO	PROP								
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011		
0001/Major Rev	SO	No	----- No/Minor Fiscal Impact -----						3036	
<u>Fund Code</u>	<u>Title</u>									
3036	Alcohol Beverages Control Fund									

Analyst/Principal (0762) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)